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TAGS: PGOV PREL AR
SUBJECT: ARGENTINA: THE BATTLE FOR BUENOS AIRES

Classified By: Ambassador E. Anthony Wayne for
Reasons 1.4(b) and (d).

¶1. (U) SUMMARY: Buenos Aires is set for a short, intense, and important mayoral campaign. Current Buenos Aires Mayor Jorge Telerman has announced that the city elections will be held on June 3, 2007, several months earlier than expected. Telerman's move has forced nationally important, center-right leader Mauricio Macri off the fence and into the race for the city mayor position, vice competing in the presidential elections in October. The latest polls actually give Macri a chance at winning in the city despite months of speculation from political pundits, that Macri could not win in the city and was more likely to run for president. President Kirchner seems dismayed at both the advancing of the city elections and the candidacy of Macri, neither of which bode well for his chosen candidate Education Secretary Daniel Filmus.

¶2. (U) While Kirchner tries to use his own and Vice President Daniel Scioli's popularity to boost Filmus' image, the opposition is both energized and fragmenting. As Macri's chances of winning in the city look better, the more infighting and back-stabbing there appears to be among the opposition figures. The position of mayor of Buenos Aires is considered so powerful that the winner of the seat in 2007 could be set up for a strong presidential bid in 2011 and as a serious threat to Kirchnerism. By the end of June, we will know who has won in the city, and the outcome could give fuel to anti-Kirchnerista movements, who would still have plenty of time to organize a strengthened opposition to Kirchner in the subsequent provincial elections, and certainly by the October 28 presidential elections. The race for mayor of Buenos Aires would probably be better described as a battle, and it is likely to be a dirty one. END SUMMARY.

Telerman Advances the Elections

¶3. (C) Current Buenos Aires Mayor Jorge Telerman has announced that the city elections will be held on June 3, 2007, several months earlier than expected, and forcing a shortening and intensification of the mayoral campaign season. The accelerated schedule, which is allowed under city electoral law, benefits Telerman's election campaign, as it allows less time for his competition to mount their campaigns, and gives him a short window in which to focus voter attention on his actions and management as current mayor. President Kirchner's chosen candidate, national Education Secretary Daniel Filmus, remains relatively unknown

to city voters, according to public opinion polls, and the June election date does not give his campaign much time to reverse that. Filmus is relatively unknown to the public and, thus, has consistently polled a very low negative image rating. This was probably the main reason Kirchner chose him as the official candidate for mayor over other well-known Peronist candidates with high disapproval ratings.

Macri for Mayor

14. (C) Center-right PRO party leader Mauricio Macri has finally announced his candidacy for the city mayor position, after months of wavering over whether to run in the city or for president. Macri became a household name during his just-completed twelve-year reign as president of the most famous soccer club in Argentina--the Boca Juniors Club, where he oversaw the team's most successful period in terms of profit and international championships. Despite months of speculation from political pundits that Macri could not win in the city, the latest polls actually give Macri a chance at winning in the city. Although Macri could possibly have finished a very respectable second in the presidential elections if he were to have run, a chance at winning arguably the second most powerful position in Argentina as the mayor of Buenos Aires was too tempting to pass up. According to the latest poll by independent firm Poliarquia, Macri could be within five points of beating Telerman in a second round; earlier polls had given either Telerman or Filmus a lead over Macri in the second round of over 20 points.

Bloody Fight for the Scraps-----

15. (C) The apparently much closer race for mayor has energized the opposition and spurred new attempts at alliances. Because Telerman and Macri are likely to be the top two vote getters, the battle over aligning with the third and fourth place candidates and their votes is now in full swing. The vote is expected to be so close that the fight over the marginal and left-over votes will be fierce. Center-left leader Elisa Carrio, who announced on March 6 she was leaving her party to keep her candidacy options open, is reportedly supporting the candidacy of former Central Bank Director Alfonso Prat-Gay for mayor. Other opposition parties have yet to announce candidates for the mayoral race.

16. (C) According to Andy Rivas, close associate of Ricardo Lopez Murphy (Macri's political partner in PRO) and city legislature staffer, the battle for these loose votes has already started to turn dirty. Rivas said he expects to see a lot of under-the-table deals and a serious increase in smear campaigning. Rivas said that former Buenos Aires Mayor Anibal Ibarra, who is planning to run for city legislature, is already planning a massive poster campaign for the last 15 days before the elections to paint Telerman as a Kirchnerista, ostensibly something that will be seen as negative by city voters. (COMMENT: Lopez Murphy has publicly expressed his anger over Macri's apparent refusal to back him for a presidential bid and has threatened to run without Macri's support. This perceived slight against Lopez Murphy could lead to a further fragmentation of the already weak and dispersed opposition in Argentina, and the fragile partnership in PRO has reportedly fallen apart. END COMMENT.)

The Lesser of Two Evils

17. (C) The position of mayor of Buenos Aires is considered so powerful that the winner of the seat in 2007 could be set up for a strong presidential bid in 2011 and as a serious threat to Kirchnerism. Unless Filmus' polls improve, political analysts here believe that Kirchner will dump Filmus and throw his support to Telerman (which Telerman is

hoping for), leaving Kirchner in a precarious spot. He can either support Telerman, who represents the strengthening threat from non-Kirchnerista Peronists, or leave the race to Macri, who represents a strengthening threat from the center-right. Most political analysts have predicted that Kirchner will drop his support of Filmus and go with Telerman because he is at least of the same political origins.

Comment

18. (C) Telerman's decision to advance the Buenos Aires elections to June 3 seems to benefit his electoral campaign greatly, but has also given new energy to Macri's bid in the city. Former Economy Minister and presidential candidate Roberto Lavagna stands to benefit from Macri's decision to run in the city, which would leave most of the opposition votes for Lavagna in the presidential elections, giving him the chance to pull as much as an estimated 30 percent of the vote. Although this is not enough to defeat Kirchner, such a strong showing would position him well as a prominent opposition leader and possibly would put some checks on Kirchner's power by showing that a significant portion of the population voted for the opposition.

19. (C) Macri has hinted that he is considering running for president after the June Buenos Aires elections, regardless of whether he wins or loses in the city. A win in the city would bolster his chances in the presidential race, but no one yet knows how a loss would affect his chances as a presidential candidate. A Macri candidacy for president after June could seriously impact Lavagna's voter-base and split the opposition vote, leaving almost no chance for either Macri or Lavagna to reach 30 percent of the total votes.

110. (C) By the end of June we will know the outcome in the mayoral race, and it could fuel anti-Kirchnerista movements, who would have plenty of time to organize a strengthened opposition to Kirchner in the subsequent provincial elections and certainly by the October 28 presidential elections. The race for mayor of Buenos Aires will set the tone for the rest of the elections this year. A Macri win in the city could influence close provincial races with viable opposition candidates, like Santa Fe and Cordoba. A string of opposition wins prior to the presidential elections would be a major concern for Kirchner, who has not faced significant political opposition in 18 months. END COMMENT.

WAYNE